

Juhuasuan Kicks Off New Farming Initiative, “Jutudi”

Farmers can leverage insights to improve supply chain, offer better deals

Hangzhou, China, July 22, 2019 – Juhuasuan, Alibaba’s flash sale and marketing platform, today launched the upgraded version of “Jutudi,” a digital initiative to help Chinese farmers optimize their supply chain and offer consumers better deals.

Jutudi first debuted in 2014. Under the previous scheme, consumers can become “virtual farmers” by “purchasing” a small plot of land online from the growers. The farmers would ship the produce to the consumer when the crop ripened.

To help boost farmers’ competitiveness in the digital era, the new Jutudi offers farmers and cooperatives science-backed analytics to improve their crop and supply chain management. Currently, 20 different cooperatives from a dozen provinces around China have joined the initiative. The plan is to widen the reach to at least 1,000 farming cooperatives in two years.

Going beyond flash sales and promotional campaigns, the new Jutudi offers the farmers a solution that taps into the full Alibaba digital economy, giving farmers broader opportunities that they can move their produce, said Liu Bo, general manager of Tmall and Taobao Marketing.

“Supported by the entire Alibaba ecosystem, Jutudi leverages the algorithm from Alibaba Cloud to help farmers plan their crops and harvest. Our smart logistic network, Cainiao, offers expedited delivery services to ensure freshness. Moreover, consumers can take advantage of flash sales on Juhuasuan to get the best bargains,” he said.

One example is peaches from Hubei Province. By collaborating with Juhuasuan, the peach growers there sold 100 tons of fresh peaches in just two hours last month. The stellar performance encouraged the farmers to embrace other digital tools offered by Alibaba ecosystem, such as leveraging Alibaba Cloud’s AI technology to standardize their crop management. As a result, the cost for the farmers decreased by 10%.

Juhuasuan further boosted the region’s value chains by connecting the peach growers to Three Squirrels, a China-based food conglomerate and snack maker that turned fresh peaches into popular dried fruit snack packets to be sold on Taobao and Tmall.

Fast, Fresh and Favorable Prices

Based on Juhuasuan’s flash sale and collective buying model, Jutudi lets consumers pre-order agricultural products before the harvest. Jutudi works directly with the cooperatives or the farmers. By bypassing the middlemen or the traditional wholesalers and distributors, the savings get passed on to consumers. For many items, the discounts can be 30% to 50% lower than regular prices.

For farmers, the pre-sale model gives them a higher degree of certainty that at least a portion of their crop will be sold. Once orders have been locked down, the farmers can harvest and pick fruits or vegetables according to the orders they've received. This can help prevent surpluses or shortages. It also reduces cost. Another benefit of the model is that consumers can always get fresh, in-season produce. According to the platform, the farm-to-table journey time can be as short as 48 hours once the order has been placed.

Accurate Forecast

Harnessing consumer insights from Tmall and Taobao, as well as data from Alibaba Cloud, Jutudi can boost farmers' ability to forecast what would be popular in the coming year and approximately how much to plant to meet future demand.

Traditionally, farmers plan their crop based on sales of the previous season. This often incurs the risk of overproduction or underproduction. However, by using data and scientific insights provided by Jutudi, farmers can more accurately predict the next hot items. Such predictions are especially crucial for farmers of specialty crops to capture niche market share.

An example is the pumpkin growers in desert areas of Gansu province. Based on data and shopping trends provided by the platform, farmers now know through some light processing, they can turn the whole pumpkins into easy-to-carry microwave meals targeting office workers. The explosive popularity of these pumpkin meals have encouraged pumpkin farmers to double their crop area from the current 396 acres in preparation for next year's sales.

Juhuasuan has successfully promoted an array of agricultural products. In the past six months, through flash sales, 330 tons of lychees from Hainan Province, 165 acres of fresh roses and three million mandarin oranges from Yunnan Province were completely sold out within 72 hours.

About Juhuasuan

Launched by Taobao in 2010, Juhuasuan is Alibaba's sales and digital marketing platform that enables brands and merchants to broaden their reach to all consumer segmentations across China through online and offline campaigns. Through the platform, brands design and hold their flash sales utilising analytics and recommendations powered by Juhuasuan, to identify the most preferred product assortment for targeted regional consumers. Juhuasuan also offers a group-buying option to offer limited-time best deals to consumers.

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